



SOL PLAATJE MUNICIPALITY

# SDBIP

2014/15

**DRAFT**

*Service Delivery & Budget Implementation Plan*



March 2014

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## 1. INTRODUCTION

### 1.1. Legislative Framework

The Municipal Finance Management Act (MFMA) No. 56 of 2003 requires that municipalities prepare a Service Delivery and Budget Implementation Plan (SDBIP) as an implementation and management tool to ensure that budgetary decisions that are adopted by municipalities for the financial year are aligned with their Integrated Development Plan.

Section 1 of the Municipal Finance Management Act (MFMA) No. 56 of 2003 defines the “service delivery and budget implementation plan” as the detailed plan approved by the mayor of the municipality in terms of Section 53 (1) (c) (ii) for implementing the municipality’s delivery of municipal services and its annual budget and which must include the following:-

- a) Projections of each month of-
  - (i) revenue to be collected, by source; and
  - (ii) operational and capital expenditure, by vote;
- b) Service delivery targets and performance indicators for each quarter; and
- c) Any other matters that may be prescribed, and includes any revisions of such plan by the mayor in terms of section 54(1)(c).

In terms of Section 53 (i)(c)(ii) of the MFMA, the SDBIP must be approved by the Mayor of a municipality within 28 days of the approval of the budget.

MFMA Circular 13 further addresses the minimum requirements of the SDBIP in detail.

### 1.2. Overview

The Sol Plaatje Municipality has prepared its 2014/15 SDBIP in line with the above. The SDBIP will serve as a “contract” between the administration, council and the community to deliver on the services outlined in the SDBIP and to manage the finances of the Municipality in a transparent and accountable manner. Not only will the SDBIP serve as an appropriate monitoring tool in the execution of the Municipality’s budget to achieve key strategic priorities as set by the Integrated Development Plan (IDP), but will also serve as an essential part of the annual performance contracts for the Municipal Manager and Managers reporting directly to the Municipal Manager as well as middle managers up to job level 6 (Salary Grades D1 to D5) and provide a foundation for the overall annual and quarterly organisational performance for the 2014/15 financial year.

The SDBIP includes the following indicators:

- The revenue and expenditure projections per Vote per month.
- Revenue projections by source.
- Capital projects at a ward level and monthly capital cash flow.
- Quarterly consolidated service delivery targets and performance indicators per Municipal KPA and IDP Objective.

The SDBIP will therefore also empower the Executive Mayor, Council and other role-players to undertake their appropriate oversight and monitoring roles. The SDBIP will also afford the Executive Mayor (Mayoral Committee), Council Committees and the Municipal Manager the ability to measure in-year progress on the implementation of the IDP Objectives and the Budget.

### 1.3. Components of the SDBIP

The SDBIP is a layered plan and starts with a Multi-year Performance Plan as part of the IDP which is directly linked to the IDP Objectives. The 2014/15 SDBIP will be informed by the Multi-year Municipal Performance Plan which serves as the “top layer” of the SDBIP and contains the consolidated service delivery targets and in-year deadlines.

This is illustrated by the diagramme below:

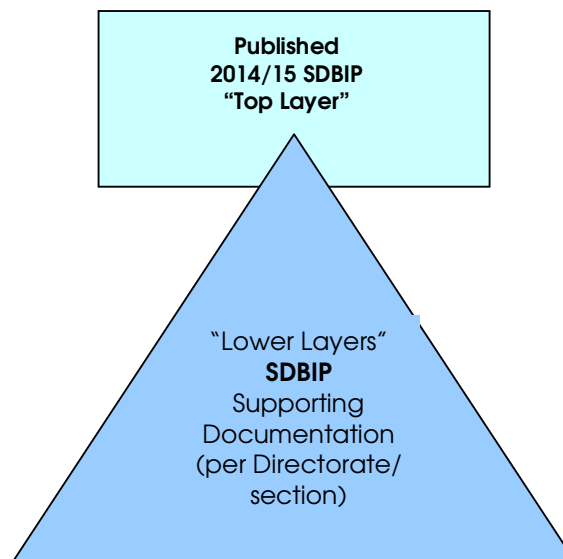


Figure 1: SDBIP Components

Once the “top layer” SDBIP is set, senior management will develop the “lower layers” of detail supporting the SDBIP. These are the actual activities linked to resources (financial, equipment and human) to actually achieve the consolidated service delivery targets within the approved budget amounts on time.



The detail of the departmental SDBIP's will be used by senior managers to hold middle level and lower level managers accountable to contribute to the municipal targets.

The following components forms part of the "top layer" SDBIP:

- o **Monthly Projections of Revenue to be collected by Source**

One of the most important and basic priorities for any municipality is to collect all its revenue as budgeted for – the failure to collect all such revenue will undermine the ability of the municipality to deliver on services.

While these projections would be most useful as cash flow projections, it is also critical to understand the relationship between revenue billed and the amount actually collected in the context of tariff, credit control and indigent policies and any other relevant policies. Comprehensive, coherent revenue policies that take into account appropriate service delivery levels, standards, ability to pay and collection efforts will ensure realistic revenue projections.

Projections for revenue by source should also include performance measures in relation to collection rates (amounts collected/amounts billed) to enable monitoring of the effectiveness of credit control policies and procedures.

- o **Monthly Projections of Expenditure and Revenue for each Vote**

These projections relate to cash paid and should reconcile to the cash flow statement adopted as part of the budget documentation.

The SDBIP show monthly projections of revenue by vote in addition to revenue by source. This is done to review the budget projections against actual revenue and expenditure by vote in order to gain a more complete picture than provided by reviewing expenditure only.

- o **Monthly Projections of Consolidated Service Delivery Targets and Performance Indicators for each Vote**

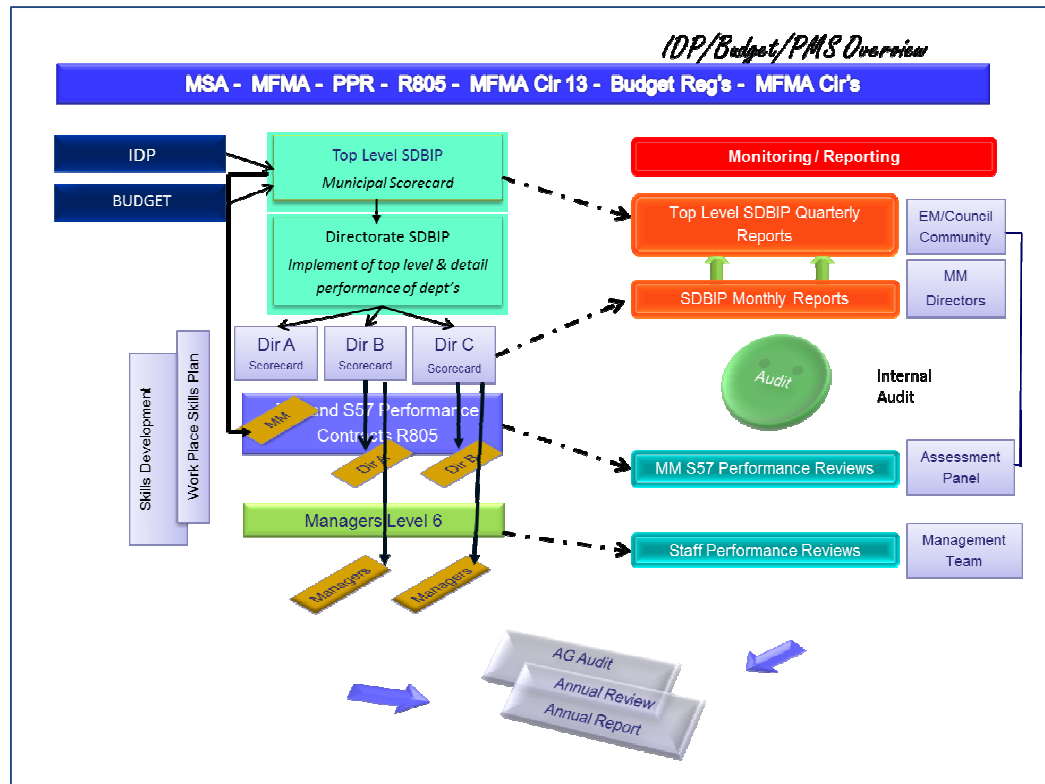
While the first two components indicate projections of budgeted amounts for revenue and expenditure, this component requires non-financial measurable key performance indicators and service delivery targets (including reduction of backlogs). The focus here is on outputs and outcomes, and not so much on inputs or internal management objectives.

- o **Detailed Capital Works Plan broken down by Ward over Three years**

Information detailing infrastructure projects per ward containing project description and anticipated capital costs over the three year period.

#### 1.4. SDBIP Link to Strategic Issues in the IDP

The Municipality endeavours to have a seamless link between IDP, as the strategic plan, the SDBIP, which operationalise the IDP and the Budget and the performance agreements of top and middle management – as well as to all levels of staff. The latter process will be achieved during the span of the 2014/15 to 2016/17 IDP. This is illustrated in the diagramme below:



In reviewing the strategic objectives of the 5-year IDP in relation to both the present contextual issues relating to development in SPM and the latest national and provincial strategies and plans it was found that the current strategic focus of the IDP remains sound and correct and that focus for this MTREF should be on implementation.

Sol Plaatje Municipality must, during the remainder of this IDP cycle, concentrate on an action-oriented development programme that will see the fruition of the present strategic objectives.

It should also be emphasised that the implementation of this development programme is also dependent on creating the correct preconditions for delivery; including institutional alignment, securing financial resources and creating optimal stakeholder configurations.

During the preparation of the present IDP a process was set in motion to refine the SPM's strategic development strategy with the view to develop its overall strategic objectives in such a way that it provides a better framework for sector-specific and joint work which is integrated and mutually supportive. The process of refining the strategy accepts the validity and urgency of the issues set out in the past, but it argues that Sol Plaatje Municipality should address these issues from a strong base, or common starting point. It also addresses issues around the manner in which the Municipality's strategy is "packaged" and presented – this gave rise to the decision to embark on a long-term Growth and Development Strategy for the Sol Plaatje Municipality.

This strategic agenda should give effect to the vision of the Municipality, namely

*SOL PLAATJE, A DYNAMIC AND CARING MUNICIPALITY THAT PROVIDES A COMPREHENSIVE RANGE OF AFFORDABLE SERVICES TO ALL ITS RESIDENTS*

In order to achieve this vision it will be important for SPM to ensure growth in the local economy in order to be sustainable. The SPM also needs to improve on the efficiency of its services, the sustainability of its finances and the effectiveness of its administration. This translates into two high level strategic objectives that also encompass all national government priorities, namely:

**A better standard of living for all** - which requires a growing economy depending on a municipal strategy driving urban efficiencies; and

**A better quality of life for all** - which requires a caring municipality concerned at providing universal access to basic municipal services at affordable levels while becoming a place where business would want to locate.

## **2. THE REVIEWED 5 YEAR IDP ACTION PLAN RESOURCED**

### **2.1. Budgeting Process**

The budgeting process is preceded by the preparation of the IDP.

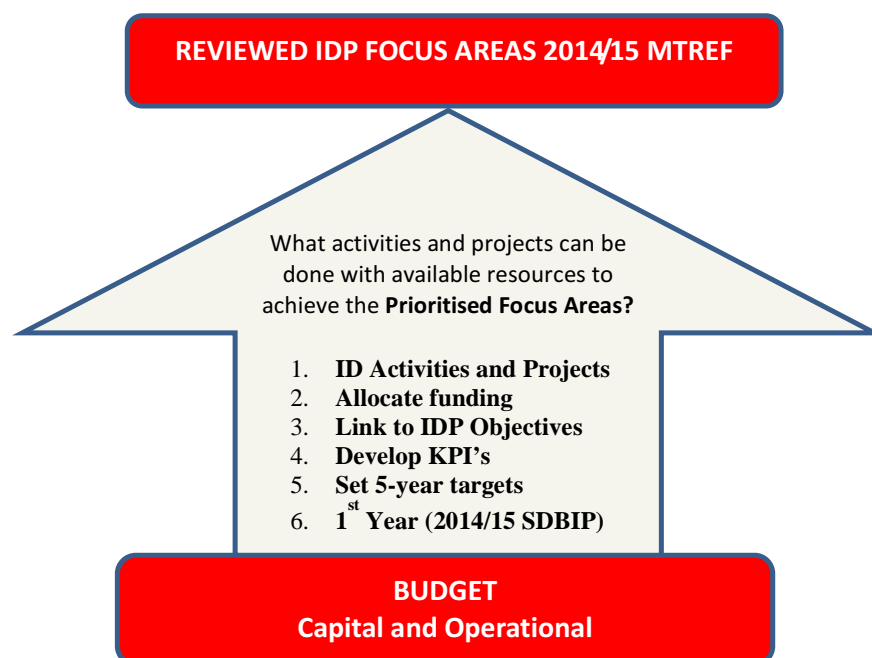
The budget, both capital and operational, addresses the strategic development agenda of the Municipality as per the IDP. During the present IDP review and considering the present IDP implementation

progress it was found that SPM has achieved both financial and administrative stability and that emphasis should now be placed on accelerating the implementation of programmes and projects to achieve its strategic objectives outlined in Chapter 5 of the IDP 2012/13 – 2016/17.

To achieve this goal priority is given to the following key issues which inform the Municipality's resource allocation and activities for the 2014/15 MTREF – and also aligns to the National Development Plan:

- **An Infrastructure led growth path in the local economy to ensure sustainable development**
- **Concentrate on the Municipality's core functions, namely to improve the efficiency of its service delivery to households who need it most**
- **Ensure financial sustainability**
- **Improve the effectiveness of the Administration**

Programmes, projects and activities have been identified to address the key focus areas discussed above and have been resourced with the available financial resources from own confirmed funding and gazetted funding from National and Provincial Government. This process is diagrammatically indicated below:





## 2.2. The 2014/15 MTREF Funding Plan

The Tables below indicate the funding plan to fund the IDP Priorities for the 2014/15 MTREF.

### 2.2.1. Funding the Operational Budget

The municipality raises its revenue through the sale of municipal services being water and electricity as well as service charges for refuse removal, sanitation and other services as well as from property rates and taxes.

The municipal services are billed monthly based on consumption and approved tariffs. A consolidated bill is then sent out to the customer. The municipality is also appointed as an agent by the Department of Transport for motor vehicle registration and licensing and as such earns commission which mainly covers the direct costs of providing the service. The municipality levies rates on land and development within its jurisdiction. Rates are payable annually by no later than 30 September each year or monthly as the municipal account falls due.

The Table below indicates the operational funding from the various sources and the expenditure by type for the 2014/15 MTREF.

**Table 1:** Revenue by Source for the 2014/15 MTREF

Description	2010/11	2011/12	2012/13	Current Year 2013/14			2014/15 Medium Term Revenue & Expenditure Framework		
R thousand	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
<b>Revenue By Source</b>									
Property rates	209 351	271 038	331 348	367 941	367 941	367 941	397 946	435 051	474 222
Service charges - electricity revenue	360 485	480 070	539 544	570 492	540 492	540 492	608 853	647 592	692 575
Service charges - water revenue	132 727	169 936	198 997	203 457	203 457	203 457	239 315	251 342	266 631
Service charges - sanitation revenue	45 180	52 962	58 667	61 541	61 541	61 541	67 187	71 618	76 600
Service charges - refuse revenue	32 932	37 731	41 221	43 744	44 744	44 744	46 841	49 562	52 117
Service charges - other	81	1	–	–	–	–	–	–	–
Rental of facilities and equipment	12 739	12 416	14 253	15 721	15 866	15 866	17 606	18 697	19 753
Interest earned - external investments	4 802	8 565	15 173	9 000	12 000	12 000	12 000	12 500	13 000
Interest earned - outstanding debtors	30 000	30 386	32 108	32 000	48 000	48 000	45 000	42 000	40 000
Fines	3 635	5 424	4 652	7 634	7 634	7 634	7 635	8 085	8 523
Licences and permits	3 125	3 797	2 568	3 259	3 259	3 259	2 672	2 834	2 991
Agency services	3 808	3 603	4 860	3 650	3 650	3 650	4 900	5 194	5 480
Transfers recognised - operational	138 963	154 482	166 865	163 883	167 306	167 306	163 380	156 043	153 150
Other revenue	26 476	25 152	34 581	28 398	68 960	68 960	33 745	35 815	38 067
Gains on disposal of PPE					–	–	–	–	–
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>1 004 304</b>	<b>1 255 561</b>	<b>1 444 839</b>	<b>1 510 719</b>	<b>1 544 849</b>	<b>1 544 849</b>	<b>1 647 080</b>	<b>1 736 331</b>	<b>1 843 109</b>

## 2.2.2 Funding the Capital Budget

The Municipality's Capital Budget can only be funded from the following three sources, namely

- o **Own revenue (Capital Replacement Reserve)**

In accordance with Sec 18 of the MFMA only revenue surpluses from the previous financial year, that are cash backed and not committed for any spending in the following year, can contribute to the capital budget (CRR). Presently it is projected that a total of R136,5 million can be allocated to the CRR over the next 4 years based on the cash flow projections indicated above.

- o **Conditional Grants**

Funding is availed from National Treasury and Provincial Treasury for service delivery projects with prescribed conditions attached to it, which inter alia means that the funding cannot be used for any other purpose, except for the approved projects as pertained in the business plan submitted.

- o **Long term borrowings**

It is not anticipated at this stage that the Municipality will take up any new long term loans for the remainder of this IDP Cycle.

The capital budget of the municipality is funded from grants and subsidies from government as well as own revenue sources. There is no intent to take up a new loan in the 2014/15 financial year.

The Division of Revenue Bill 2014 indicated a huge reduction on grants on Integrated National Electrification Projects by 85% in 2014/15, from a gazetted R20 million in the DoRA. This has resulted in serious repercussions for the municipality as the projects planned for implementation as per the 2013/14 MTREF for 2014/15 can no longer be executed. This is in spite of a growing demand for municipal services at the informal settlements of which electricity is the highest demand.

The Municipal Infrastructure Grant (MIG) has also been reduced in the 2014/15 compared to the gazetted amount as per the DoRA 2013.

There are still uncertainties with the Neighbourhood Development Grant. There conditions of grant have been reviewed and the purpose has now been shifted to Urban Networks Elements.

Table 3 below depicts the funding sources for capital for the 2014/15 MTREF

**Table 2:** Capital Funding Sources for the 2014/15 MTREF

Funding	2014/15	2015/16	2016/17
CRR	42 255 269	19 941 790	10 000 000
Accelerated Community Infrastructure Programme	5 000 000		
MIG	45 677 233	47 153 207	49 174 788
Regional Bulk infrastructure Grant	25 000 000	5 550 000	
Neighbourhood Development Partnership Grant (Capital Grant)	5 000 000	10 736 000	11 288 000
Energy Efficiency and demand Side Management grant	5 000 000	5 000 000	10 000 000
Integrated National Electrification Program(Municipal) Grant		45 000	46 000
<b>Total</b>	<b>125 932 502</b>	<b>88 425 997</b>	<b>78 323 788</b>

### 2.2.3 The 5 Year Key Performance Indicators and Targets

A Multi-Year Municipal Performance Plan setting the necessary annual KPI's and targets for each IDP Objective aligned to the key focus areas for the 2014/15 MTREF has been prepared considering the available resources and possible financial risks as discussed above (sections 2.1.1 and 2.2.2).

This Multi-year Municipal Performance Plan (attached as Annexure 1) is aligned to the Municipal Development Strategy as well as the other spheres of government's priorities. In this manner Sol Plaatje can ensure that when it actually implement projects and complete operational activities that it will contribute to the overall priorities set for the development of South Africa, and not only for its local area.

## 3. THE 2014/15 SERVICE DELIVERY AND BUDGET IMPLEMENTATION PLAN (SDBIP)

### 3.1 The 2014/15 MTREF Budget

Table below indicate the alignment of the revenue budget with the Strategic Objectives of the IDP for the 2014/15 MTREF period.

**Table 3:** Revenue Budget aligned to IDP Strategic Objectives

National KPA	IDP Objective	Budget Year 2014/15 R'000	Budget Year +1 2015/16 R'000	Budget Year +2 2016/17 R'000
KPA 1: Local Economic Development	1.1 To provide an enabling environment for LED in SPM within the context of National and Provincial Frameworks 1.2 To initiate, lead and sustain an investment environment for job creation in the SPM Area 1.3 To leverage municipal assets and the municipal procurement process with the view to stimulate redistribution and growth	38 723	41 189	43 632
KPA2: Basic and Sustainable Service Delivery and Infrastructure Development	2.1 To ensure adequate provision of new bulk infrastructure to unlock and sustain development and growth 2.2 To ensure continuous maintenance, refurbishment, upgrade and replacement of existing infrastructure assets 2.3 To ensure sustainable delivery in respect of water and sanitation, electricity, solid waste management and roads and stormwater as well as community services to all residents of SPM 2.4 To ensure sustainable delivery of community services (personal health, environmental health, libraries, parks and recreation, emergency and traffic services) to all residents of SPM	1 080 143	1 154 824	1 233 828
KPA 3: Municipal Financial Viability and Management	3.1 Ensure sound financial management and financial sustainability of SPM	101 510	107 874	114 115
KPA 4: Municipal Institutional Development and Transformation	4.1 To provide an overarching framework for sustainable municipal performance improvement 4.2 To provide a framework for Municipal Transformation and Institutional Development	14 042	14 885	15 704
KPA 5: Good Governance and Public Participation	5.1 To ensure an Unqualified Audit Report 5.2 To enhance the public profile, reputation and positioning of the SPM	394 883	404 440	425 246
<b>Total</b>		<b>1 629 301</b>	<b>1 723 212</b>	<b>1 832 525</b>

The municipality's expenditure for the 2014/15 budget and MTREF is informed by the following:

- Modelling of feasible and sustainable budgets over the medium term,
- Cognisance of international, national and local economic- and fiscal conditions,
- Expenditure limits set by realistic and realisable revenue levels,
- The asset repairs and maintenance goals,
- Relevant (budget and other) legislative imperatives, and
- Operational gains and efficiencies directed to fund areas of strategic priority and known commitments.

The Tables below indicate the Municipality's monthly financial targets for the 2014/15 financial year.

**Table 4:** Monthly Revenue Targets per Source for the 2014/15 Financial Year

Description	Budget Year 2014/15												MTREF		
R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
<b>Revenue By Source</b>															
Property rates	18 420	18 420	185 000	18 420	18 420	18 420	18 420	18 420	18 420	18 420	18 420	28 746	397 946	435 051	474 222
Property rates - penalties & collection charges												-	-	-	-
Service charges - electricity revenue	64 000	64 000	55 540	38 667	39 667	39 667	39 667	39 667	39 667	55 540	55 540	77 233	608 853	647 592	692 575
Service charges - water revenue	15 000	15 000	15 000	15 000	18 000	25 500	28 500	28 500	25 500	18 000	15 000	20 315	239 315	251 342	266 631
Service charges - sanitation revenue	5 599	5 599	5 599	5 599	5 599	5 599	5 599	5 599	5 599	5 599	5 599	5 599	67 187	71 618	76 600
Service charges - refuse revenue	3 903	3 903	3 903	3 903	3 903	3 903	3 903	3 903	3 903	3 903	3 903	3 903	46 841	49 562	52 117
Service charges - other												-	-	-	-
Rental of facilities and equipment	500	650	780	950	1 230	1 450	1 850	1 900	1 910	2 000	2 050	2 336	17 606	18 697	19 753
Interest earned - external investments	500	500	650	780	1 000	1 150	1 150	1 150	1 200	1 200	1 350	1 370	12 000	12 500	13 000
Interest earned - outstanding debtors	2 500	2 500	2 650	2 650	2 650	3 200	3 560	3 750	3 860	4 000	5 300	8 380	45 000	42 000	40 000
Dividends received												-	-	-	-
Fines	636	636	636	636	636	636	636	636	636	636	636	637	7 635	8 085	8 523
Licences and permits	50	50	50	50	50	50	100	150	240	360	578	944	2 672	2 834	2 991
Agency services	400	400	400	400	400	400	400	400	400	400	400	500	4 900	5 194	5 480
Transfers recognised - operational	51 000				54 000				54 000			2 428	161 428	153 824	150 931
Other revenue	150	750	890	1 500	1 850	3 500	3 650	3 800	3 850	3 900	4 000	5 905	33 745	35 964	38 103
Gains on disposal of PPE												-	-	-	-
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>162 659</b>	<b>112 409</b>	<b>271 099</b>	<b>88 555</b>	<b>147 405</b>	<b>103 475</b>	<b>107 435</b>	<b>107 875</b>	<b>159 185</b>	<b>113 959</b>	<b>112 777</b>	<b>158 295</b>	<b>1 645 128</b>	<b>1 734 262</b>	<b>1 840 926</b>



**Table 5:** Monthly Expenditure Targets per Vote for 2014/15

Description	Budget Year 2014/15												MTREF		
R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
<b>Expenditure By Type</b>															
Employee related costs	40 000	40 000	40 000	40 000	40 000	65 000	40 000	40 000	40 000	40 000	40 000	82 624	547 624	581 540	614 684
Remuneration of councillors	1 664	1 664	1 664	1 664	1 664	1 664	1 664	1 664	1 664	1 664	1 664	1 664	19 968	21 265	22 541
Debt impairment	145 000											–	145 000	156 760	169 353
Depreciation & asset impairment			4 379			4 379			4 379			39 413	52 550	56 916	61 664
Finance charges						18 200						18 359	36 559	29 995	28 796
Bulk purchases	47 000	50 000	30 000	30 000	30 000	30 000	35 000	35 000	35 000	25 000	25 000	50 000	422 000	456 460	492 221
Other materials	3 500	3 760	8 520	8 520	8 520	8 520	6 500	7 000	7 950	8 520	10 100	5 725	87 135	91 403	95 825
Contracted services												–	–	–	–
Transfers and grants	2 500	2 500	2 890	3 200	3 971	4 323	5 000	5 498	5 700	5 750	6 000	7 418	54 750	58 050	61 295
Other expenditure	5 000	6 000	21 000	21 000	21 000	15 874	26 540	28 750	29 000	32 100	32 560	24 891	263 715	270 821	286 144
<b>Total Expenditure</b>	<b>244 664</b>	<b>103 924</b>	<b>108 453</b>	<b>104 384</b>	<b>105 155</b>	<b>147 960</b>	<b>114 704</b>	<b>117 912</b>	<b>123 693</b>	<b>113 034</b>	<b>115 324</b>	<b>230 094</b>	<b>1 629 301</b>	<b>1 723 211</b>	<b>1 832 525</b>
<b>Surplus/(Deficit)</b>	<b>(82 005)</b>	<b>8 485</b>	<b>162 645</b>	<b>(15 829)</b>	<b>42 250</b>	<b>(44 485)</b>	<b>(7 269)</b>	<b>(10 037)</b>	<b>35 492</b>	<b>925</b>	<b>(2 547)</b>	<b>(71 798)</b>	<b>15 827</b>	<b>11 051</b>	<b>8 401</b>
Transfers recognised - capital	5 000	5 500	5 750	5 968	6 150	6 150	6 500	6 745	6 810	7 450	8 921	12 733	83 677	68 484	68 324
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>(77 005)</b>	<b>13 985</b>	<b>168 395</b>	<b>(9 861)</b>	<b>48 400</b>	<b>(38 335)</b>	<b>(769)</b>	<b>(3 292)</b>	<b>42 302</b>	<b>8 375</b>	<b>6 374</b>	<b>(59 065)</b>	<b>99 504</b>	<b>79 535</b>	<b>76 725</b>
<b>Surplus/(Deficit)</b>	<b>(77 005)</b>	<b>13 985</b>	<b>168 395</b>	<b>(9 861)</b>	<b>48 400</b>	<b>(38 335)</b>	<b>(769)</b>	<b>(3 292)</b>	<b>42 302</b>	<b>8 375</b>	<b>6 374</b>	<b>(59 065)</b>	<b>99 504</b>	<b>79 535</b>	<b>76 725</b>

**Table 6:** Capital Budget Funding Sources for 2014/15

Funding	2014/15	%
CRR	42 255 269	34,00%
MIG	45 677 233	36,00%
ACIP	5 000 000	0,40%
NDPG (Capital Grant)	5 000 000	0,40%
INEP(Municipal) Grant	3 000 000	0,20%
RBIG	25 000 000	20%
<b>Total</b>	<b>125 932 502</b>	<b>100%</b>

Table 7 below indicate the capital contribution to the IDP Objectives for the 2014/15 Financial Year.

**Table 7:** Capital Contribution to the IDP Objectives

IDP Objectives	No of Projects	2014/15	% Contribution
1.2 To initiate, lead and sustain an investment environment for job creation in the SPM Area	-	5 000 000	4%
2.1 To ensure adequate provision of new bulk infrastructure to unlock and sustain development and growth	1	62 774 232	50%
2.2 To ensure continuous maintenance, refurbishment, upgrade and replacement of existing infrastructure assets	7	29 163 801	23%
2.3 To ensure sustainable delivery in respect of water and sanitation, electricity, solid waste management, housing and roads and stormwater services to all residents of SPM	1	15 000 000	12%
2.4 To ensure sustainable delivery of community services (personal health, environmental health, libraries, parks and recreation, emergency and traffic services) to all residents of SPM	4	12 994 469	10%
4.2 To provide a framework for Municipal Transformation and Institutional Development	1	1 000 000	1%
<b>TOTAL</b>		<b>R 125 932 502</b>	<b>100%</b>

**Table 8:** Monthly Capital Expenditure per Municipal Vote: 2014/15

Description  R thousand	Budget Year 2014/15												Medium Term Revenue and Expenditure Framework		
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Budget Year 2014/15	Budget Year +1 2015/16	Budget Year +2 2016/17
<b><u>Multi-year expenditure to be appropriated</u></b>															
<b>Vote 5 - COMMUNITY SERVICES</b>	100	150	150	500	500	750	1 000	1 500	1 750	2 000	2 000	2 594	12 994	8 410	10 660
<b>Vote 8 - INFRASTRUCTURE AND SERVICES</b>	3 500	4 300	3 550	3 500	5 550	6 450	6 500	10 150	9 000	8 530	9 460	4 284	74 774	49 735	38 515
<b>Capital multi-year expenditure sub-total</b>	<b>3 600</b>	<b>4 450</b>	<b>3 700</b>	<b>4 000</b>	<b>6 050</b>	<b>7 200</b>	<b>7 500</b>	<b>11 650</b>	<b>10 750</b>	<b>10 530</b>	<b>11 460</b>	<b>6 879</b>	<b>87 769</b>	<b>58 145</b>	<b>49 175</b>
<b><u>Single-year expenditure to be appropriated</u></b>															
<b>Vote 6 - FINANCIAL SERVICES</b>				100	100	100	100	100	100	120	140	140	1 000	1 500	6 000
<b>Vote 7 - STRATEGY ECON DEVELOPMENT AND PLANNING</b>		50	50	100	100	150	200	500	750	1 000	1 000	1 100	5 000	10 736	11 288
<b>Vote 8 - INFRASTRUCTURE AND SERVICES</b>	500	500	2 000	2 500	2 500	2 500	3 000	3 000	4 000	4 000	4 000	3 664	32 164	18 045	11 861
<b>Capital single-year expenditure sub-total</b>	<b>500</b>	<b>550</b>	<b>2 050</b>	<b>2 700</b>	<b>2 700</b>	<b>2 750</b>	<b>3 300</b>	<b>3 600</b>	<b>4 850</b>	<b>5 120</b>	<b>5 140</b>	<b>4 904</b>	<b>38 164</b>	<b>30 281</b>	<b>29 149</b>
<b>Total Capital Expenditure</b>	<b>4 100</b>	<b>5 000</b>	<b>5 750</b>	<b>6 700</b>	<b>8 750</b>	<b>9 950</b>	<b>10 800</b>	<b>15 250</b>	<b>15 600</b>	<b>15 650</b>	<b>16 600</b>	<b>11 783</b>	<b>125 933</b>	<b>88 426</b>	<b>78 324</b>

**Table 9:** Capital Project Schedule for 2014/15 per Vote and Ward

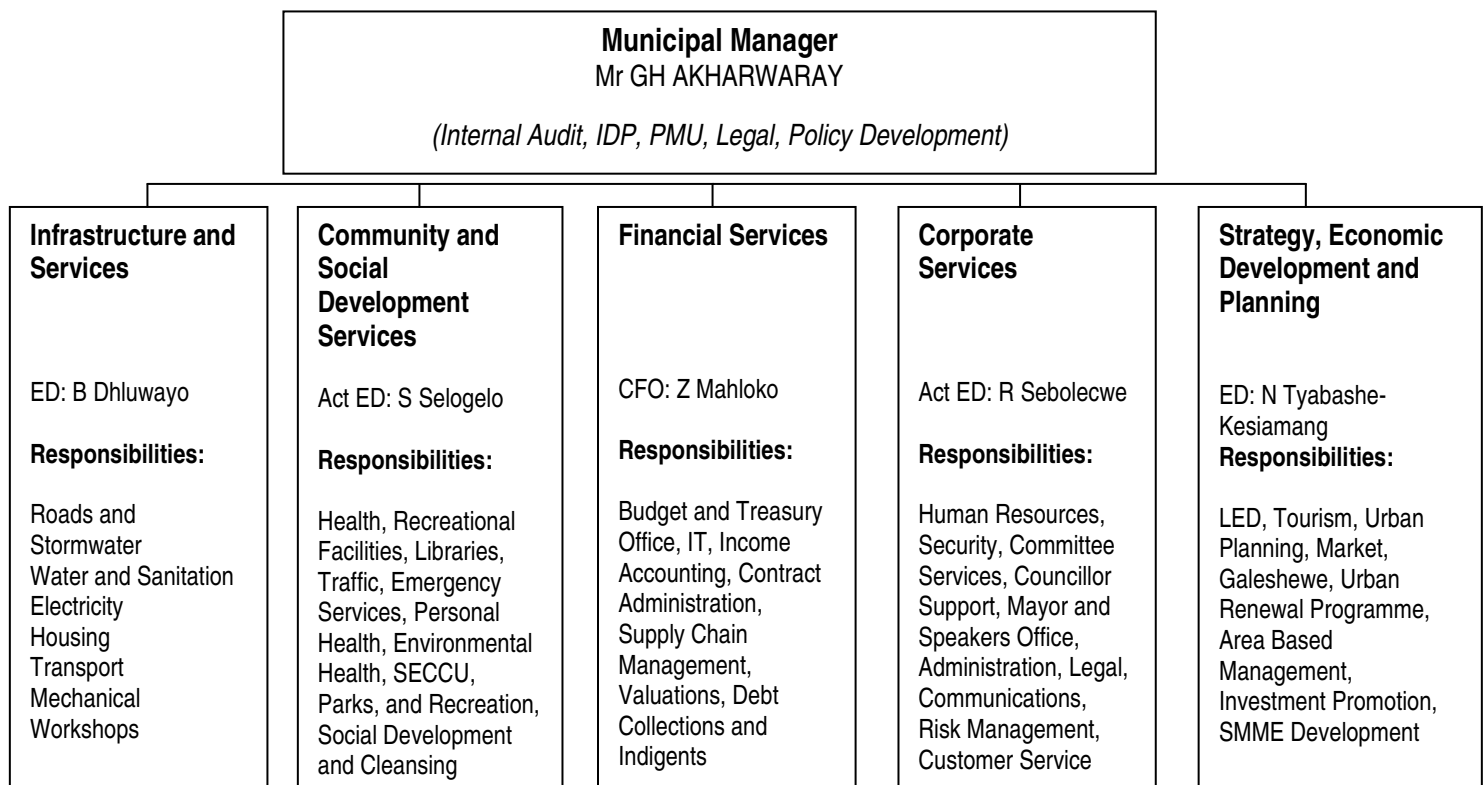
			2014/15	
Ward No	Projects	Funding Source	Internal (CRR)	Grant
Strategy, Economic Development and Planning				
Gal Wards	Neighbourhood Development Partnership Grant (Capital Grant)	NDPG		5 000 000
Sub Total			0	10 000 000
Infrastructure and Services				
25	Electrification Diamond Park	INEP		3 000 000
All	Fleet Replacement Programme	CRR	12 000 000	
All	Zone Metering and Pressure Management	CRR/ACIP	7 000 000	
All	Replacement of water meters (Domestic and Business)	CRR	5 000 000	
All	Riverton water (High Lift Pumps)	CRR/MIG	4 016 375	8 147 426
All	Homevale WWTW Upgrade (15 MI)	RBIG/MIG/ CRR	10 000 000	52 774 232
All	Refurbishment/Repairs to Bulk Water Line 600mm	ACIP		5 000 000
Sub Total			38 016 375	68 921 658
Financial Services				
All	IT Replacement programme: Hardware and software	CRR	1 000 000	
Sub Total			1 000 000	0
Community and Social Development Services				
All	Sol Plaatje Cemetery	MIG/CRR	3 238 894	8 755 575
All	Landfill Site - Upgrade	MIG/CRR		1 000 000
Sub Total			3 238 894	9 755 575
GRAND TOTAL			R 42 255 269	R 83 677 233
			R 125 932 502	

### 3.2 CONSOLIDATED SERVICE DELIVERY TARGETS AND PERFORMANCE INDICATORS

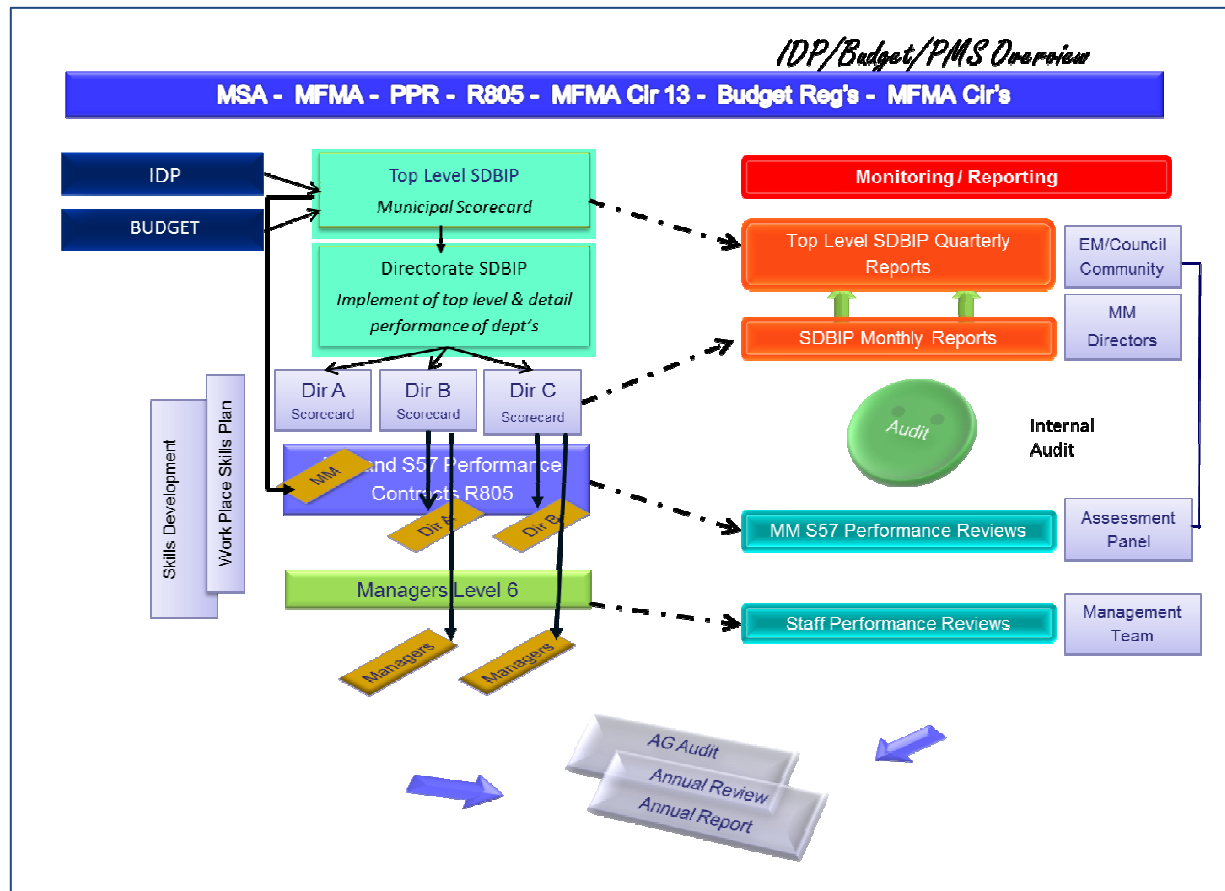
The Service Delivery Targets and Performance Indicators per National and Municipal Key Performance Areas (KPA's) are discussed below.

#### 3.2.1 Macro Structure

The Key Performance Indicators identified for the 2014/15 Financial Year are per Municipal Vote (Directorate). It assigns the responsibility of each Directorate for its specific KPI and target - see diagramme below and Annexure 1 (Multi-year Targets) and Annexure 2 (Quarterly Targets). These KPI's and Targets again inform the Performance Contract for the Municipal Manager and Managers accountable to the Municipal Manager as well as middle managers up to job level 6 (See Diagramme below).







### 3.2.2 Multi-year Performance Plan (Annexure 1)

The Multi-year Municipal Performance Plan (Annexure 1) represents the key indicators at an organisational level for the remainder of this IDP Cycle. The indicators are also aligned with the national and provincial performance indicators and the overall strategic agenda of the municipality as well as LGTAS Focus Areas to ensure alignment with the IDP and Budget. It also informs the SDBIP for 2014/15.

### 3.2.3 Quarterly Service Delivery targets and Performance Indicators per Vote 2014/15 SDBIP (Annexure 2)

Annexure 2 indicates the KPI's and Targets for the 2014/15 financial year – the first year of the multi-year performance plan.

OFFICE OF THE MUNICIPAL MANAGER									Annual Targets		
KPA	IDP Objective	SUB-DIRECTORATE	KPI	Measurement	POE	Risk Register Ref	Baseline	Annual Target 2013/14	2014/15	2015/16	2016/17
KPA 4: Municipal Institutional Development and Transformation	4.1 To provide an overarching framework for sustainable municipal performance improvement	IDP Office	Review Integrated Performance Management Policy annually by 31 May	% progress in reviewing PMS Policy	Submission of documentary proof (progress reports, minutes of meetings and audit reports etc) of work done in reviewing the PMS policy	11	-	100%	100%	100%	100%
		IDP Office	Conduct bi-annual performance assessments of the Municipal Managers and Managers reporting directly to the Municipal Manager annually	No of assessments conducted	Assessment reports	12	2	2	2	2	2
		IDP Office	Submit quarterly organisational performance reports to the Executive Mayor by the 20th of the month following the end of each Quarter	No of Reports submitted	Actual report submitted and signed off by EM	11	4	4	4	4	4

DIRECTORATE INFRASTRUCTURE AND SERVICES											
KPA 2: Basic and Sustainable Service Delivery and Infrastructure Development	2.1 To ensure adequate provision of new bulk infrastructure to unlock and sustain development and growth	Water and Sanitation	Replace 2 old high lift pumps at Riverton Water Purification Works with new ones by Dec 2014	% progress with the implementation of the project	Project progress reports, minutes of site meetings, physical site visits	2	60%	60%	100%	-	-
	2.2 To ensure continuous maintenance, refurbishment, upgrade and replacement of existing infrastructure assets	Electricity	Save 10MW of electricity during peak times by switching of 2 kW geysers of 25,000 households as requested by Eskom	Units of electricity saved	Calculations by City Electricity Engineer	3	New	10 MW	10	10	10
			Decrease electricity losses to 14% by 30 June 2017	% electricity losses	Reports on electricity losses as per the actual records system	3	18%	15%	15%	15%	14%
	2.3 To ensure sustainable delivery in respect of water and sanitation, electricity, solid waste management, housing and roads and storm water services to all residents of SPM	Electricity	786 additional households connected to the electricity network by 30 June 2017	No of houses connected to electricity network	Project reports and actual measurement on the ground	3		1 700	214	571	786

KPA	IDP Objective	SUB-DIRECTORATE	KPI	Measurement	POE	Risk Register Ref	Baseline	Annual Target 2013/14	2014/15	2015/16	2016/17
	2.2 To ensure continuous maintenance, refurbishment, upgrade and replacement of existing infrastructure assets	Water and Sanitation	Decrease non-revenue water losses to 20% by 30 June 2017	% water losses	Reports on water losses as per the actual records system	2	58%	35%	30%	25%	20%
			Achieve Bluedrop Status by 30 June 2017	Annual % status achieved	DWA assessment report	2	84%	90%	92%	95%	100%
			Achieve Greendrop Status by 30 June 2017	Annual % status achieved	DWA assessment report		76%	85%	90%	95%	100%
	2.3 To ensure sustainable delivery in respect of water and sanitation, electricity, solid waste management, housing and roads and storm water services to all residents of SPM	Water and Sanitation	2492 Additional Households connected to sewer network by 30 June 2017	No of houses connected to sewer network	Project reports and actual measurement on the ground	2	1 356	1 356	892	1692	2492
			2492 Additional Households connected to water network by 30 June 2017	No of houses connected to water network							
	2.2 To ensure continuous maintenance, refurbishment, upgrade and replacement of existing infrastructure assets	Roads and Storm water	Paving of 8,5 km residential roads by 30 June 2017	Km of roads paved	Project reports and actual measurement on the ground	5	New	-	2.5 km	5.5 km	8.5 km
	2.3 To ensure sustainable delivery in respect of water and sanitation, electricity, solid waste management, housing and roads and storm water services to all residents of SPM	Housing	1375 Additional Households to be provided with a subsidised house by 30 June 2017	No of houses constructed	Actual completed structures	5	7 846	787	375	875	1375
	2.3 To ensure sustainable delivery in respect of water and sanitation, electricity, solid waste management, housing and roads and storm water services to all residents of SPM	Urban Planning	2000 Additional new erven planned and surveyed and ready for installation of municipal services in existing informal settlements by 30 June 2017	Erven planned, surveyed on approved SG diagramme	Layout Plans completed and approved General Plans	2	7 846	1 272	-	1 000	2 000

DIRECTORATE FINANCIAL SERVICES											
KPA 1. Local Economic Development	1.1 To provide an enabling environment for LED in SPM within the context of National and Provincial Frameworks	Supply Chain Management	To improve the SCM turnaround time to 12 weeks for annual contracts from closing date to date of award	Average time in weeks to awards tenders	Register indicating the steps for assessing and awarding of tenders and dates when each step was signed off - from submission of the tender to final awarding of tender	1	-	12	12	12	12
		Supply Chain Management	To improve the SCM turnaround time to 6 weeks for once of contracts from closing date to date of award	Average time in weeks to awards tenders		1	-	6	6	6	6
	1.3 To leverage municipal assets and the municipal procurement process with the view to stimulate redistribution and growth	Supply Chain Management	Ensure that at least 60% of the Municipality's own procurement for goods and services are sourced from local BEE and SMME service providers quarterly	% of the Municipality's own procurement for goods and services	Records/reports of goods and services procured	8	60%	60%	60%	60%	60%

KPA	IDP Objective	SUB-DIRECTORATE	KPI	Measurement	POE	Risk Register Ref	Baseline	Annual Target 2013/14	2014/15	2015/16	2016/17
KPA 2: Basic and Sustainable Service Delivery and Infrastructure Development	2.3 To ensure sustainable delivery in respect of water and sanitation, electricity, solid waste management, housing and roads and storm water services to all residents of SPM	Finance/Water/ Electricity	Indigent households to receive free basic services (water, electricity and waste removal according to national guidelines) by 30 June 2017	No of indigent households receiving free basic services	Verified indigent register and financial reports	2	0	12 000	12 000	12 000	12 000
KPA 3: Municipal Financial Viability and Management	3.1 Ensure sound financial management and financial sustainability of SPM	Finance	Improve revenue enhancement by ensuring a collection rate of 95% after debt write off by 30 June 2017	% collection rate	Financial and Audit reports	6	83%	88%	90%	92%	95%
		All	To spend at least 95% of the Capital Budget (including grants) on capital projects identified ito the IDP by 30 June 2017	% capex of capital budget	Financial and Audit reports	6	0	87%	87%	90%	95%
		All	To spend at least 95% of the Operational Budget annually (30 June)	% opex of operational budget	Financial and Audit reports	6	0	95%	95%	95%	95%
		Finance	Maintain the debt coverage ratio at current levels or at least 2:1 against net assets of the municipality by 30 June 2017	Debt coverage (Total operating revenue-operating grants received)/debt service payments due within the year)	Financial and Audit reports	6	10:01	10:01	2:1	2:1	2:1
		Finance	Reducing the ratio of outstanding service debtors to revenue to 10% by 30 June 2017	Service debtors to revenue – (Total outstanding service debtors/ revenue received for services)	Financial and Audit reports	6	52%	40%	35%	20%	10%
		Finance	Increase the cost coverage ratio to 3:1 annually or maintain the current status by 30 June 2017	Cost coverage (Available cash + investments/ monthly fixed operating expenditure)	Financial and Audit reports	6	2:1	03:01	3:1	3:1	3:1
		Finance	Increase the municipal reserves by at least 10% per annum from the previous year's actual balance annually (30 June)	% increase	Financial and Audit reports	6	100%	10%	10%	10%	10%
KPA 2: Basic and Sustainable Service Delivery and Infrastructure Development	2.2 To ensure continuous maintenance, refurbishment, upgrade and replacement of existing infrastructure assets	All	To spend at least 10% of the operational budget on O & M by 30 June 2017	% spend on O&M	Financial and Audit reports	6	5%	6%	7%	8%	10%
KPA 3: Municipal Financial Viability and Management	3.1 Ensure sound financial management and financial sustainability of SPM	All	Decrease employee related costs to 30 % of the Operational Budget by 30 June 2017	Employee related cost as a % of Ops Budget	Financial and Audit reports	6	34%	34%	33%	31%	30%
KPA 5: Good Governance and Public Participation	5.1 To ensure an improved audit opinion in line with the LGTAS	SCM	To implement an effective and efficient Supply Chain Management System by ensuring that successful appeals is not more than 5% of tenders/quotes submitted by 30 June 2017	% successful appeals	Actual appeals lodged	8	0	5%	5%	5%	5%

KPA	IDP Objective	SUB-DIRECTORATE	KPI	Measurement	POE	Risk Register Ref	Baseline	Annual Target 2013/14	2014/15	2015/16	2016/17
	5.1 To ensure an improved audit opinion in line with the LGTAS	All	Ensure a clean audit report by 30 June 2017 (50% = June 2014 qualified and 100% = June 2015 ).	Annual AGSA opinion	AGSA Annual Audit Report	12	Qualified	Un-qualified (50%)	100%	100%	100%

#### DIRECTORATE CORPORATE SERVICES

KPA 5: Good Governance and Public Participation	5.2 To enhance the Public Profile, Reputation and Positioning of SPM	Webmaster	Ensure an updated and interactive web site linked to other spheres of Government on a continuous basis	% compliant to relevant legislation	Actual updated information on web	11	New	100%	100%	100%	100%
KPA 4: Municipal Institutional Development and Transformation	4.2 To provide a framework for Municipal Transformation and Institutional Development	Equity Unit	All levels of personnel on the organogram of the SPM should be 100% representative according to the Employment Equity Plan of the Municipality as well as the most recent Provincial EAP Profiles by 30 June 2017	% progress	Equity register	12	87%	87%	70%	70%	70%
		Human Resources	An approved Human Resource Management Plan with specific reference to staffing (attraction/retention), HRA, HRM and HRD by 30 June 2017	% progress in preparing HRM Plan	Submission of documentary proof (progress reports, minutes of meetings, actual plan etc) of work done in preparing an HRM Plan	12	50%	50%	100%	100%	100%
		Human Resources	Conduct bi-annual performance assessments of Middle Management (up to level 6) annually by 30 June	No of assessments conducted	Assessment reports	12	New	2	2	2	2
	4.1 To provide an overarching framework for sustainable municipal performance improvement	Human Resources	Complete individual performance management to all levels of staff by 30 June 2017	% progress in establishing PMS to all levels	Submission of documentary proof (progress reports, minutes of meetings and audit reports etc) of work done in establishing a PMS to all levels of staff	12	0	20%	50%	75%	100%
	4.2 To provide a framework for Municipal Transformation and Institutional Development	Risk Management Unit	Facilitate the implementation of an Enterprise Risk Management Framework annually	Number of risk assessments conducted	Updated Risk Register and Minutes of Audit Committee	NA	New	4	4	4	4
			Submission of an Annual Report on risk management maturity level of SPM to NT by 30 June each year	Maturity Report submitted	Maturity Report and Minutes Audit Committee	NA	New	1	1		



KPA	IDP Objective	SUB-DIRECTORATE	KPI	Measurement	POE	Risk Register Ref	Baseline	Annual Target 2013/14	2014/15	2015/16	2016/17
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#### DIRECTORATE STRATEGY, ECONOMIC DEVELOPMENT AND PLANNING

KPA 1 Local Economic Development	1.1 To provide an enabling environment for LED in SPM within the context of National and Provincial Frameworks	Building Services	Ensuring the turnaround time for building plan approval to 8 weeks by 30 June 2017 for buildings or architectural buildings greater than 500m² in accordance with NBRBSA - 103/1977	Average time in weeks to approve building plans	Register indicating the steps for approval and dates when each step was signed off - from submission of plan to final approval	1	18 weeks	10 weeks	10	9	8
			Ensuring the turnaround time for building plan approval to 4 weeks by 30 June 2017 for buildings or architectural buildings less than 500m² in accordance with NBRBSA - 103/1977	Average time in weeks to approve building plans	Register indicating the steps for approval and dates when each step was signed off - from submission of plan to final approval				8	6	4
		LED	Improving the turnaround time for development applications (rezoning) from receipt of all sectional comments, submission to Development and Planning Committee and Council to 12 weeks by 30 June 2017	Average time in weeks to approve applications	Register indicating the steps for approval and dates when each step was signed off - from submission of application to final approval	1	0	12 weeks	12	12	12
	1.2 To initiate, lead and sustain an investment environment for job creation in the SPM Area	LED	Create 1025 FTE jobs through initiatives of the SPM (including LED, EPWP, Capital Projects, Maintenance activities etc) by 30 June 2017	No of FTE jobs created	Register of jobs created through EPWP, Capital projects, maintenance activities etc	1	FTE	320	300	350	375
	1.3 To leverage municipal assets and the municipal procurement process with the view to stimulate redistribution and growth	Properties	To alienate earmarked Municipal land and properties for development purposes in line with the SDF/LUMS on an annual basis	R value of proceeds received from land and property sales	Contracts signed and financial records	1	0	5 000 000	5 000 000	7 000 000	7 000 000

#### DIRECTORATE COMMUNITY AND SOCIAL DEVELOPMENT SERVICES

KPA 2: Basic and Sustainable Service Delivery and Infrastructure Development	2.4 To ensure sustainable delivery of community services (personal health, environmental health, libraries, parks and recreation, emergency and traffic services) to all residents of SPM	Cleansing	1800 Additional Households to be provided with a weekly solid waste removal service by 30 June 2017	No of houses receiving a weekly solid waste removal service	Project reports and actual measurement on the ground	2	9 490	600	600	1200	1800
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KPA	IDP Objective	SUB-DIRECTORATE	KPI	Measurement	POE	Risk Register Ref	Baseline	Annual Target 2013/14	2014/15	2015/16	2016/17
Development	Services to all residents of SPIM	Parks	A planned, prioritised and budgeted operational plan for each section in the Directorate Community and Social Development Services (Personal Health, Environmental Health, Library, Parks and Recreation, Emergency, Traffic, Motor Registration and Licensing and Social Development)	Operational plan	Operational plan	2	100%	100%	100%	100%	100%

OFFICE OF THE MUNICIPAL MANAGER										Quarterly Targets for 2013/14			
KPA	IDP Objective	SUB-DIRECTORATE	KPI Reporter	KPI	Measurement	POE	Risk Register Ref	Baseline End 2012/13	Annual Target 2014/15	Quarter 1 30 Sep 14	Quarter 2 31 Dec 14	Quarter 3 31 Mar 15	Quarter 4 30 Jun 15
KPA 4: Municipal Institutional Development and Transformation	4.1 To provide an overarching framework for sustainable municipal performance improvement	IDP Office	IDP Manager	Review Integrated Performance Management Policy by 30 Sep 14	% progress in reviewing PMS Policy	Submission of documentary proof (progress reports, minutes of meetings and audit reports etc) of work done in reviewing the PMS policy	11	100%		100%	-	-	-
		IDP Office	IDP Manager	Conduct bi-annual performance assessments of the Municipal Managers and Managers reporting directly to the Municipal Manager annually	No of assesments conducted	Assessment reports	12	2		0	0	1	2
		IDP Office	IDP Manager	Submit quarterly organisational performance reports to the Executive Mayor by the 20th of the month following the end of each Quarter	No of Reports submitted	Actual report submitted and signed off by EM	11	4		1	2	3	4

DIRECTORATE INFRASTRUCTURE AND SERVICES													
KPA 2: Basic and Sustainable Service Delivery and Infrastructure Development	2.1 To ensure adequate provision of new bulk infrastructure to unlock and sustain development and growth	Water and Sanitation	CE : Water and Sanitation	Implementation of the bulk sewage project at Homevale will ensure an additional 15 Ml/day treatment capacity by 30 September 2014	% progress with the implementation of the project	Project progress reports, minutes of site meetings, physical site visits.	2	80%		90%	100%	-	-
		Water and Sanitation		Replace 2 old high lift pumps at Riverton Water Purification Works with new ones by Dec 2014	% progress with the implementation of the project	Project progress reports, minutes of site meetings, physical site visits.	2	60%		80%	100%	-	-
	2.2 To ensure continuous maintenance, refurbishment, upgrade and replacement of existing infrastructure	Electricity	CE : Electricity	Save 10MW of electricity during peak times by switching of 2 kW geysers of 25,000 households as requested by Eskom annually	Units of electricity saved	Calculations by City Electricity Engineer	3	10 MW		10	10	10	10
				Decrease electricity losses to 14% by 30 June 2017	% electricity losses	Reports on electricity losses as per the actual records system	3	16%	15%	15%	15%	15%	15%
	2.3 To ensure sustainable delivery in respect of water and sanitation, electricity, solid waste management, housing and roads and stormwater services to all residents of SPM	Electricity	CE : Electricity	214 additional households connected to the electricity network by 30 June 2015	No of houses connected to electricity network	Project reports and actual measurement on the ground	3	1 700	214	0	0	50	214
	2.2 To ensure continuous maintenance,	Water and	CE : Water and	Decrease non-revenue water	% water losses	Reports on water losses as per the actual	2	35%	30%	35%	35%	30%	30%

KPA	IDP Objective	SUB-DIRECTORATE	KPI Reporter	KPI	Measurement	POE	Risk Register Ref	Baseline End 2012/13	Annual Target 2014/15	Quarter 1 30 Sep 14	Quarter 2 31 Dec 14	Quarter 3 31 Mar 15	Quarter 4 30 Jun 15
	refurbishment, upgrade and replacement of existing infrastructure assets	Sanitation	Sanitation	losses to 20% by 30 June 2017	No water losses	As per the water records system	2	00%	00%	00%	00%	00%	00%
		Water and Sanitation	CE : Water and Sanitation	Achieve Bluedrop Status by 30 June 2017	Annual % status achieved	DWA assessment report	2	92%					
				Achieve Greendrop Status by 30 June 2017	Annual % status achieved	DWA assessment report		90%					
	2.3 To ensure sustainable delivery in respect of water and sanitation, electricity, solid waste management, housing and roads and stormwater services to all residents of SPM	Water and Sanitation	CE : Water and Sanitation	892 Additional Households connected to sewer network by 30 June 2015	No of houses connected to sewer network	Project reports and actual measurement on the ground	2	1 356	892	0	100	300	892
				892 Additional Households connected to water network by 30 June 2015	No of houses connected to water network								
	2.2 To ensure continuous maintenance, refurbishment, upgrade and replacement of existing infrastructure assets	Roads and Stormwater	CE : Roads and Storm water	Paving of 2,5 Km of residential roads	Km of roads paved	Project reports and actual measurement on the ground	5	-	2,5 Km	0	0,5 Km	1 Km	2,5 Km
	2.3 To ensure sustainable delivery in respect of water and sanitation, electricity, solid waste management, housing and roads and stormwater services to all residents of SPM	Housing	Head : Housing Administration	375 Additional Households to be provided with a subsidised house by 30 June 2015	No of houses constructed	Actual completed structures	5	787	375	50	150	250	375
		Urban Planning	Manager : Urban Planning	Additional new erven planned and surveyed and ready for installation of municipal services in existing informal settlements by 30 June 201	1272 erven planned, surveyed on approved SG diagramme	Layout Plans completed and approved General Plans	2	1 272	-	-	-	-	-

#### DIRECTORATE FINANCIAL SERVICES

KPA 1. Local Economic Development	1.1 To provide an enabling environment for LED in SPM within the context of National and Provincial Frameworks	Supply Chain Management	Manager : SCM	To improve the SCM turnaround time to 12 weeks for annual contracts from closing date to date of award by 30 June 2015.	Average time in weeks to awards tenders	Register indicating the steps for assessing and awarding of tenders and dates when each step was signed off - from submission of the tender to final awarding of tender	1	12	12	12	12	12	12
		Supply Chain Management		To improve the SCM turnaround time to 6 weeks for once of contracts from closing date to date of award by 30 June 2014	Average time in weeks to awards tenders	Register indicating the steps for assessing and awarding of tenders and dates when each step was signed off - from submission of the tender to final awarding of tender	1	6	6	6	6	6	6

KPA	IDP Objective	SUB-DIRECTORATE	KPI Reporter	KPI	Measurement	POE	Risk Register Ref	Baseline End 2012/13	Annual Target 2014/15	Quarter 1 30 Sep 14	Quarter 2 31 Dec 14	Quarter 3 31 Mar 15	Quarter 4 30 Jun 15
	1.3 To leverage municipal assets and the municipal procurement process with the view to stimulate redistribution and growth	Supply Chain Management	Manager : SCM	Ensure that at least 60% of the Municipality's own procurement for goods and services are sourced from local BEE and SMME service providers quarterly	% of the Municipality's own procurement for goods and services	Records/reports of goods and services procured	8	60%		60%	60%	60%	60%
KPA 2: Basic and Sustainable Service Delivery and Infrastructure Development	2.3 To ensure sustainable delivery in respect of water and sanitation, electricity, solid waste management, housing and roads and stormwater services to all residents of SPM	Finance/Water/ Electricity	GM : Revenue	Indigent households to receive free basic services (water, electricity and waste removal according to national guidelines) by 30 June 2015	No of indigent households receiving free basic services	Verified indigent register and financial reports	2	5 000		4 000	6 000	10 000	12 000
KPA 3: Municipal Financial Viability and Management	3.1 Ensure sound financial management and financial sustainability of SPM	Finance	GM : Revenue	Improve revenue enhancement by ensuring a collection rate of 91% after debt write off by 30 June 2017	% collection rate	Financial and Audit reports	6	88%	89%	82%	85%	87%	89%
		All	ED : Finance	To spend at least 95% of the Capital Budget (including grants) on capital projects identified ito the IDP by 30 June 2017	% capex of capital budget	Financial and Audit reports	6	87%	87%	15%	40%	65%	87%
		All	ED : Finance	To spend at least 95% of the Operational Budget annually (30 June)	% opex of operational budget	Financial and Audit reports	6	95%	95%	23%	48%	73%	95%
		Finance	ED : Finance	Maintain the debt coverage ratio at current levels or at least 2:1 against net assets of the municipality by 30 June 2017	Debt coverage (Total operating revenue- operating grants received)/debt service payments due within the year)	Financial and Audit reports	6	10:01	2:1	2:1	2:1	2:1	2:1
		Finance	ED : Finance	Reducing the ratio of outstanding service debtors to revenue to 10% by 30 June 2017	Service debtors to revenue – (Total outstanding service debtors/ revenue received for services)	Financial and Audit reports	6	40%	40%	40%	38%	36%	35%
		Finance	ED : Finance	Increase the cost coverage ratio to 3:1 annually or maintain the current status by 30 June 2017	Cost coverage (Available cash + investments/ monthly fixed operating expenditure)	Financial and Audit reports	6	03:01	03:01	03:01	03:01	03:01	03:01
		Finance	ED : Finance	Increase the municipal reserves by at least 10% per annum from the previous year's actual balance annually (30 June)	% increase	Financial and Audit reports	6	10%	10%	10%	10%	10%	10%
KPA 2: Basic and Sustainable Service Delivery and Infrastructure Development	2.2 To ensure continuous maintenance, refurbishment, upgrade and replacement of existing infrastructure assets	All	ED : Finance	To spend at least 10% of the operational budget on O & M by 30 June 2017	% spend on O&M	Financial and Audit reports	6	6%	7%	7%			



KPA	IDP Objective	SUB-DIRECTORATE	KPI Reporter	KPI	Measurement	POE	Risk Register Ref	Baseline End 2012/13	Annual Target 2014/15	Quarter 1 30 Sep 14	Quarter 2 31 Dec 14	Quarter 3 31 Mar 15	Quarter 4 30 Jun 15
KPA 3: Municipal Financial Viability and Management	3.1 Ensure sound financial management and financial sustainability of SPM	All	ED : Finance	Decrease employee related costs to 30 % of the Operational Budget by 30 June 2017	Employee related cost as a % of Ops Budget	Financial and Audit reports	6	34%	35%	34%	34%	34%	34%
KPA 5: Good Governance and Public Participation	5.1 To ensure an improved audit opinion in line with the LGTAS	SCM	Manager : SCM	To implement an effective and efficient Supply Chain Management System by ensuring that successful appeals is not more than 5% of tenders/quotes submitted by 30 June 2014	% successful appeals	Actual appeals lodged	8	5%		5%	5%	5%	5%
	5.1 To ensure an improved audit opinion in line with the LGTAS	All	ED : Finance	Ensure a clean audit report by 30 June 2014 (50% = June 2013 qualified and 100% = June 2014 ).	Annual AGSA opinion	AGSA Annual Audit Report	12	Qualified (50%)		Unqualified (100%)			

#### DIRECTORATE CORPORATE SERVICES

KPA 5: Good Governance and Public Participation	5.2 To enhance the Public Profile, Reputation and Positioning of SPM	Webmaster	Manager : Communications	Ensure an updated and interactive web site linked to other spheres of Government on a continuous basis	% compliant to relevant legislation	Actual updated information on web	11	100%	100%	100%	100%	100%	100%
KPA 4: Municipal Institutional Development and Transformation	4.2 To provide a framework for Municipal Transformation and Institutional Development	Equity Unit	Employment Equity Manager	All levels of personnel on the organogram of the SPM should be 100% representative according to the Employment Equity Plan of the Municipality as well as the most recent Provincial EAP Profiles by 30 June 2015	% progress	Equity register	12	87%	100%	90%	93%	97%	100%
		Human Resources	Manager : Human Resources	An approved Human Resource Management Plan with specific reference to staffing (attraction/retention), HRA, HRM and HRD by 30 June 2014	% progress in preparing HRM Plan	Submission of documentary proof (progress reports, minutes of meetings, actual plan etc) of work done in preparing an HRM Plan	12	50%	100%	60%	70%	85%	100%
		Human Resources	Manager : Human Resources	Conduct bi-annual performance assessments of Middle Management (up to level 6) annually by 30 June 2013	No of assessments conducted	Assessment reports	12	2	2	0	0	1	2
	4.1 To provide an overarching framework for sustainable municipal performance improvement	Human Resources	Manager : Human Resources	Complete individual performance management to all levels of staff by 30 June 2015	% progress in establishing PMS to all levels	Submission of documentary proof (progress reports, minutes of meetings and audit reports etc) of work done in establishing a PMS to all levels of staff	12	20%	50%	0%	10%	30%	50%
	4.1 To provide an overarching framework for sustainable municipal performance improvement	Human Resources	Manager : Human Resources	Complete individual performance management to all levels of staff by 30 June 2015	% progress in establishing PMS to all levels	Submission of documentary proof (progress reports, minutes of meetings and audit reports etc) of work done in establishing a PMS to all levels of staff	12	20%	50%	0%	10%	30%	50%
KPA 4: Municipal Institutional Development and Transformation	4.2 To provide a framework for Municipal Transformation and Institutional Development	Risk Management		Facilitate the implementation of an Enterprise Risk Management Framework annually	Number of risk assessments conducted	Updated Risk Register and Minutes of Audit Committee	NA	4	4	1	2	3	4

KPA	IDP Objective	SUB-DIRECTORATE	KPI Reporter	KPI	Measurement	POE	Risk Register Ref	Baseline End 2012/13	Annual Target 2014/15	Quarter 1 30 Sep 14	Quarter 2 31 Dec 14	Quarter 3 31 Mar 15	Quarter 4 30 Jun 15
Transformation		Management Unit		Submission of an Annual Report on risk management maturity level of SPM to NT by 30 June each year	Maturity Report submitted	Maturity Report and Minutes Audit Committee	NA	1	1			1	

#### DIRECTORATE STRATEGY, ECONOMIC DEVELOPMENT AND PLANNING

KPA 1: Local Economic Development	1.1 To provide an enabling environment for LED in SPM within the context of National and Provincial Frameworks	Building Services	Manager : Urban Planning	Ensuring the turnaround time for building plan approval to 4 weeks by 30 June 2015 for buildings for architectural buildings more than 500m² in accordance with NBRBSA - 103/1977	Average time in weeks to approve building plans	Register indicating the steps for approval and dates when each step was signed off - from submission of plan to final approval	1	10 weeks	10 weeks	10 weeks	10 weeks	10 weeks	10 weeks
				Ensuring the turnaround time for building plan approval to 4 weeks by 30 June 2015 for buildings for architectural buildings less than 500m² in accordance with NBRBSA - 103/1978	Average time in weeks to approve building plans	Register indicating the steps for approval and dates when each step was signed off - from submission of plan to final approval	1	10 weeks	8 weeks	8 weeks	8 weeks	8 weeks	8 weeks
		LED	Manager : Urban Planning	Improving the turnaround time for development applications (rezoning) from receipt of all sectional comments, submission to Development and Planning Committee and Council to 12 weeks by 30 June 2014	Average time in weeks to approve applications	Register indicating the steps for approval and dates when each step was signed off - from submission of application to final approval	1	12 weeks	12 weeks	12 weeks	12 weeks	12 weeks	12 weeks
		LED	Manager : Urban Planning	Ensuring the turnaround time for building plan approval to 8 weeks by 30 June 2015 for buildings for architectural buildings in excess of 500m² in accordance with NBRBSA - 103/1977	Average time in weeks to approve building plans	Register indicating the steps for approval and dates when each step was signed off - from submission of plan to final approval	1	10 weeks	10 weeks	10 weeks	10 weeks	10 weeks	10 weeks
	1.2 To initiate, lead and sustain an investment environment for job creation in the SPM Area	LED	Manager : LED	Create 400 FTE jobs through initiatives of the SPM (including LED, EPWP, Capital Projects, Maintenance activities etc) annually	No of FTE jobs created	Register of jobs created through EPWP, Capital projects, maintenance activities etc	1	320	300	100	150	230	300
	1.3 To leverage municipal assets and the municipal procurement process with the view to stimulate redistribution and growth	Properties	Manager : Properties	To alienate earmarked Municipal land and properties for development purposes in line with the SDF/LUMS by 30 June 2014	R value of proceeds received from land and property sales	Contracts signed and financial records	1	5 000 000	5 000 000	1 000 000	2 000 000	3 000 000	5 000 000

#### DIRECTORATE COMMUNITY AND SOCIAL DEVELOPMENT SERVICES

KPA 2: Basic and Sustainable Service Delivery and	2.4 To ensure sustainable delivery of community services (personal health, environmental health	Cleansing	Head : Cleansing	600 Additional Households to be provided with a weekly solid waste removal service by 30 June 2014	No of houses receiving a weekly solid waste removal service	Project reports and actual measurement on the ground	2	0	600	100	200	500	600
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KPA	IDP Objective	SUB-DIRECTORATE	KPI Reporter	KPI	Measurement	POE	Risk Register Ref	Baseline End 2012/13	Annual Target 2014/15	Quarter 1 30 Sep 14	Quarter 2 31 Dec 14	Quarter 3 31 Mar 15	Quarter 4 30 Jun 15
Delivery and Infrastructure Development	Environmental health, libraries, parks and recreation, emergency and traffic services) to all residents of SPM	Parks	ED: Community Services	A planned, prioritised and budgetted operational plan for each section in the Directorate Community and Social Development Services (Personal Health, Environmental Health, Library, Parks and Recreation, Emergency, Traffic, Motor Registration and Licensing and Social Development) annually by 30 Sep	Operational plan	Operational plan	2	100%	100%	100%	-	-	-